United States Department of Agriculture

Marketing and Regulatory Programs

Agricultural Marketing Service

Fruit and Vegetable Programs

PACA Mediation Services



Visit our Website at: www.ams.usda.gov/fv/paca.htm

Your customer refuses to pay you the full invoice amount claiming that the produce you shipped had quality problems. You know you need to address the problem quickly, but you hesitate to file a claim because you want to maintain a good business relationship and not alienate a customer. Dilemmas like this occur frequently in the produce business, and USDA's Perishable Agricultural Commodities Act (PACA) program can help if you find yourself in this situation.

The PACA Branch offers mediation services to help produce traders reach mutually agreeable settlements. Mediation is an effective way to resolve disputes, since it places the resolution of the dispute directly in the hands of the interested parties. It provides a way to settle differences outside of the legal system and strengthens business relationships by providing a forum where both parties can air their differences in a neutral atmosphere. Since the PACA Branch first began offering this service, it has successfully mediated many cases that might otherwise have required costly litigation to resolve. Most important, mediation leaves the resolution of the dispute in your hands--not in the hands of a judge. Furthermore, there is no additional cost to mediate a dispute beyond the initial \$60 required for filing a PACA claim.

When a dispute occurs between produce firms and a complaint has been received, the PACA Branch will offer to mediate the dispute. Mediations can be conducted informally through a telephone conference call, or through a face-to-face meeting in a location acceptable to all parties. During mediation, PACA personnel will act as a neutral party whose focus will be on helping the parties achieve a settlement agreement. Also, as technical experts, they are always available to advise the parties of their rights and responsibilities under the PACA.

To obtain more information about mediation, or to arrange for mediation of a commercial dispute, you may call any of the following PACA regional offices:

PACA OFFICES

- Tucson, Arizona (520) 670-4793
- Glen Ellyn, Illinois (630) 790-6929
- Arlington, Texas (817) 276-2530
- North Brunswick, New Jersey (732) 846-4798
- Manassas, Virginia (703) 330-4455

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